



Important Terms and Conditions of Your Account

This document is intended to provide you with information about one or more accounts offered by the Credit Union. It contains rules which govern your account(s) with us. Please read this brochure carefully as you are entering into a binding agreement with the Credit Union. If you sign an Account Agreement Card and use your account after you receive this brochure it means you understand and agree to these rules. Much of our relationship with our members is governed by our bylaws and by state and federal law, both of which may change from time to time. If you have any questions, please contact a member service representative.

The Credit Union reserves the right to waive the enforcement of any of the terms in this Agreement with respect to any transaction. Any such waiver would not affect the right of the Credit Union to enforce any of its rights with respect to other members, or to enforce any right with respect to a later transaction with this member.

As used in this brochure, the word "we" means the credit union and the word "you" means the account holder. Words and phrases used in this brochure should be interpreted so that the singular includes the plural and the plural includes the singular (except where we clearly intend otherwise).

DEPOSITS - Any non-cash item deposited to your account (including items drawn "on us") will be given provisional credit only until collection of the item is final. We are not responsible for transactions initiated by mail or outside depository until we actually record them. All transactions received after our "daily cut-off time" on a business day we are open, or received on a day in which we are not open for business, will be treated and recorded as if initiated on the next business day that we are open.

WITHDRAWALS - GENERALLY - Any one of you who signs in the space designated for Signature on the Account Agreement Card may withdraw or transfer all or any part of the account balance at any time. Each of you authorizes each other person signing the Account Agreement Card to endorse any item payable to you or your order for deposit to your account or any other transaction with us (until we receive written notice to the contrary).

We reserve the right to refuse any withdrawal or transfer request which is attempted by any method not specifically permitted, which exceeds any frequency limitation or violates any minimum or maximum dollar limitation. We will use the date a transaction is completed by us (as opposed to the date you initiated it) to apply any frequency limitations. Withdrawals will first be made from collected funds, and we may refuse any withdrawal request against uncollected funds. The credit union usually allows regular Share Account funds to be withdrawn at any time without previous notice, but reserves the right to demand 60 days notice of withdrawal.

DIVIDENDS - Dividends are paid from available earnings. The rate and method we use to calculate dividends may change from time to time.

LIABILITY - Each of you agrees, for yourself (and the person or entity you represent if you sign as a representative of another) to the terms of this account and the charges that we may impose. (If you have any questions about the charges that may be imposed please ask us.) You authorize us to deduct these charges directly from the account balance as accrued. You also agree to pay additional reasonable charges we may impose for services you request which are not contemplated by this agreement or your account. Each of you also agrees to be jointly and severally liable for any account deficit (resulting, for example, from charges imposed, overdrafts, or items cashed or deposited that are returned unpaid) whether caused by you or another individual authorized to withdraw from your account, together with the costs we incur to collect the deficit including, to the extent permitted by law, our reasonable attorney's fees. In addition the member waives the right to a jury trial in disputes concerning their accounts with the Credit Union.

MINIMUM MEMBERSHIP REQUIREMENT - To be and remain a member of this credit union, you must subscribe to at least one share. Your membership will terminate if you withdraw all your shares.

TYPES OF ACCOUNTS - As a credit union member you may take advantage of many different accounts to help you manage your money and increase your savings. Please ask us about the specific accounts we offer.

LIENS OR GARNISHMENT OF YOUR ACCOUNT(S) - We have a lien on all funds in all your accounts with us. This lien extends to funds now or hereafter deposited with us (plus dividends and any insurance benefits). This lien secures loans, charges, overdrafts or any amount you may now or hereafter owe us. We may enforce this lien by applying your funds directly to any amounts you owe us and we may exercise this right without obtaining a court judgment and as otherwise permitted by law.

Set off is the right of one who is indebted to another to reduce or eliminate the indebtedness by charging against the debt any amount which his creditor in that transaction may owe him in another transaction as borrower, guarantor, or otherwise. The Credit Union may use the account to pay the debt even if withdrawal results in an interest penalty or

dishonor of subsequent drafts.

Any garnishment, levy or execution against the account is subject to the Credit Union's right of set off and security interest. If garnishment, levy, or execution hits the account, the Credit Union may refuse to allow any withdrawals until the dispute is resolved. In such a case, the Credit Union will not be liable to the member, even if paying the money to the third party leaves insufficient funds to cover outstanding drafts. All expenses in responding to a court order are chargeable to the member.

The Credit Union has the right to charge fees in connection with its services. These fees may change from time to time. The current fee schedule is available and the member will receive written notice of any changes.

ACCOUNT TRANSFER - No account may be transferred or assigned without prior written consent.

DIRECT DEPOSITS - If, in connection with a direct deposit plan, we deposit any amount in an account which should have been returned to the Federal Government for any reason, you authorize us to deduct the amount of our liability to the Federal Government from your account without prior notice and at any time, except as prohibited by law. We may also use any other legal remedy to recover the amount of our liability.

RIGHTS AND RESPONSIBILITIES OF A CUSTODIAN WITH ACCOUNTS SET UP UNDER THE UNIFORM GIFTS TO MINORS ACT

- A gift made in the manner presented by the Uniform Gifts to Minors Act is irrevocable and conveys to the minor indefeasibly vested title to the money. Once a custodial account is opened, the donor cannot change his mind and revoke the transfer.
- The custodian has broad powers and duties over the account. The custodian has the duty of collecting, holding, managing, investing and reinvesting the custodial property. The custodian has the duty to expend for the minor's benefit, so much or all of the custodial property as he deems advisable for the minor's support, maintenance, education and benefit. The custodian has complete discretion as to the time and the amount of such payment, and he need not take into account the duty of himself or any other person to support the minor, or his ability to do so; nor must he take into account other income or property of the minor which may be available.
- Any unexpended custodial property or money generally must be paid over to the minor upon his attaining the age of 18 years or 21 years if the account designates this. If the account was established prior to January 1, 1980, the minor is not entitled to such funds until he reaches the age of 21 years.

JOINT ACCOUNT OWNERSHIP - Any account in 2 or more names, that is payable to either of the named persons, or to any survivor, will be treated as a joint account provided that all the account holders have signed the Account Agreement Card. A joint account creates a legal form of ownership which is called a "joint tenancy." Each joint owner named on the account, who has signed the signature card, is considered to be an owner of the account. Every owner has an equal and undivided interest in all monies deposited into, and any interest earned on, the account even though he or she may not have owned the monies originally. This means that while all the owners are living, we, the Credit Union, may honor withdrawal requests, checks or orders drawn by any owner for part or all of the monies in the account. The Credit Union may do this without giving notice to or receiving the consent of the other owner(s), unless we first receive a written notice signed by any owner directing the Credit Union not to pay or deliver any part of the joint account. If the Credit Union receives such a notice, we may require written authorization from all owners before we allow any payment or transfers from the account. This written notice does not prevent us from making, or make us liable for, any payment from the account to any third party or us, as described above.

TRANSFER LIMITS - We are required to limit the following types of transfers from accounts (other than share draft or checking accounts) to no more than six transfers per month:

- all preauthorized transfers to another account or to a third party (including automatic transfers to cover overdrafts but excluding transfers for loan payments or routine allocations of direct payroll deposit to your other accounts or family member accounts); and
- telephone initiated transfers to another account or a third party. In addition, if we allow access by share draft or check or point of sale to an account (other than a share draft or checking account), any transfers made by share draft or check or point-of-sale transfer will be included in the six per month maximum, and no more than three of the six transfers per month may be made by such share draft or check or point-of-sale transfer.

ADDITIONAL RULES FOR SHARE DRAFT OR CHECKING

ACCOUNTS - The word "item" will mean a share draft or check and any other means of deposit or withdrawal. (For example, an "item" could be a share draft or check deposited to or written on an account, or an electronic deposit to, transfer, or withdrawal from an account.) The following rules apply to our share draft or checking accounts:

FORMS - You must use only approved share draft or check forms to withdraw funds from this type of account. Withdrawals by electronic funds transfer are also permitted from this type of account.

OVERDRAFTS - We are under no obligation to pay an item which exceeds the balance in your account. If however, we do pay such an item, you are still responsible for the overdraft and any fee we may impose for it.

PAYMENT OF SHARE DRAFTS OR CHECKS - We may pay a share draft or check on whatever day it is presented for payment, notwithstanding the date appearing on the share draft or check. If a member dies or is adjudicated incompetent, the Credit Union retains the reasonable opportunity to act on it. Even with knowledge, the Credit Union may, for ten (10) days after the date of death, pay drafts drawn before death unless ordered to stop payment by a person claiming an interest in the account.

The Credit Union is protected from liability when it continues to honor a member's draft even though it has

received notice of an adverse claim to the account. Unless the Credit Union is served with an appropriate court order or the claim provides the Credit Union with indemnity (at a level acceptable to the Credit Union) it may ignore the adverse claim.

PAID SHARE DRAFTS OR CHECKS - Paid share drafts or checks will not be returned to you. We will make photocopies available to you of specific paid share drafts or checks upon your request. A fee may be imposed for each share draft or check copied.

STOP PAYMENTS - You may stop payment on a check drawn on your account. An oral stop order is effective for only fourteen (14) days and must be followed up with written notice that is effective for six (6) months. The Credit Union will not honor a stop payment order on an Official Check. You must inform the Credit Union of the exact amount of the share draft or check, the number of the share draft or check, and the number of the account. Also, the Credit Union is entitled to a reasonable period of time following the stop order to notify its employees.

WRONGFUL DISHONOR - If we dishonor an item by mistake, our liability is limited to actual damages proved. The Credit Union retains the right to pay or dishonor a share draft more than six (6) months old without prior notice to the member. The Credit Union retains the right to disregard information on the share draft other than the identification of the payor, payable through bank, payee, and the amount. Language on the share draft such as "void if not paid in 30 days" or "not good in excess of \$100.00" or the like, will not be honored.

STATEMENTS - The Credit Union will mail statements or make them available electronically on a monthly basis. The member is expected to examine the statements carefully and reconcile the account. If there are any discrepancies, the Credit Union should be notified immediately, as the statement is considered correct unless the Credit Union is notified within sixty (60) days of the member receiving the statement of any errors.

TERMINATION OF ACCOUNT - We may close your share draft or checking account at any time by mailing you a notice with a remittance for the balance therein. We are not liable for refusing to pay any share draft or check presented after an account is closed.

LIABILITY - The member may terminate the relationship upon written ten (10) day notice. The termination, however, does not release the member from payment of accrued fees or liability for drafts in process, and entitles the member to the return of the balance less any appropriate debt items.